

QUALITY HEALTH CARE SERVICES, INC.

NOTICE OF PRIVACY PRACTICES

Effective: April 14, 2003

**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION
ABOUT YOU MAY BE USED AND DISCLOSED
AND HOW YOU CAN GET ACCESS TO THIS INFORMATION.
PLEASE REVIEW IT CAREFULLY.**

This notice will tell you how we may use and disclose protected health information about you. Protected health information means any health information about you that identifies you or for which there is a reasonable basis to believe the information can be used to identify you. In this notice, we call all of that protected health information, "medical information."

This notice also will tell you about your rights and our duties with respect to medical information about you. In addition, it will tell you how to complain to us if you believe we have violated your privacy rights.

How We May Use and Disclose Medical Information About You.

We use and disclose medical information about you for a number of different purposes. Each of those purposes is described below.

For Treatment.

We may use medical information about you to provide, coordinate or manage your health care and related services by both us and other health care providers. We may disclose medical information about you to doctors, nurses, hospitals and other health facilities who become involved in your care. We may consult with other health care providers concerning you and as part of the consultation share your medical information with them. Similarly, we may refer you to another health care provider and as part of the referral share medical information about you with that provider. For example, we may conclude you need to receive services from a physician with a particular specialty. When we refer you to that physician, we also will contact that physician's office and provide medical information about you to them so they have information they need to provide services for you.

For Payment.

We may use and disclose medical information about you so we can be paid for the services we provide to you. This can include billing you, your insurance company, or a third party payor. For example, we may need to give your insurance company information about the health care services we provide to you so your insurance company will pay us for those services or reimburse you for amounts you have paid. We also may need to provide your insurance company or a government program, such as Medicare or Medicaid, with information about your medical condition and the health care you need to receive to obtain determine if you are covered by that insurance or program.

For Health Care Operations.

We may use and disclose medical information about you for our own health care operations. These are necessary for us to operate quality Health Care Services and to maintain quality health care for our patients. For example, we may use medical information about you to review the services we provide and the performance of our employees in caring for you. We may disclose medical information about you to train our staff and students working within Quality Health Care Services. We also may use the information to study ways to more efficiently manage our organization.

How We Will Contact You.

Unless you tell us otherwise in writing, we may contact you by either telephone or by mail at either your home or your office. At either location, we may leave messages for you on the answering machine or voice mail. If you want to request that we communicate to you in a certain way or at a certain location, see “Right to Receive Confidential Communications” of this Notice.

Appointment Reminders.

We may use and disclose medical information about you to contact you to remind you of an appointment you have with us.

Treatment Alternatives.

We may use and disclose medical information about you to contact you about treatment alternatives that may be of interest to you.

Health Related Benefits and Services.

We may use and disclose medical information about you to contact you about health-related benefits and services that may be of interest to you.

Individuals Involved in Your Care.

We may disclose to a family member, other relative, a close personal friend, or any other person identified by you, medical information about you that is directly relevant to that person's involvement with your care or payment related to your care. We also may use or disclose medical information about you to notify, or assist in notifying, those persons of your location, general condition, or death. If there is a family member, other relative, or close personal friend that you do not want us to disclose medical information about you to, please notify Chief Privacy Officer or tell our staff member who is providing care to you.

Disaster Relief.

We may use or disclose medical information about you to a public or private entity authorized by law or by its charter to assist in disaster relief efforts. This will be done to coordinate with those entities in notifying a family member, other relative, close personal friend, or other person identified by you of your location, general condition or death.

Required by Law.

We may use or disclose medical information about you when we are required to do so by law.

Public Health Activities.

We may disclose medical information about you for public health activities and purposes. This includes reporting medical information to a public health authority that is authorized by law to collect or receive the information for purposes of preventing or controlling disease. Or, one that is authorized to receive reports of child abuse and neglect.

Victims of Abuse, Neglect or Domestic Violence.

We may disclose medical information about you to a government authority authorized by law to receive reports of abuse, neglect, or domestic violence, if we believe you are a victim of abuse, neglect, or domestic violence. This will occur to the extent the disclosure is: (a) required by law; (b) agreed to by you; or, (c) authorized by law and we believe the disclosure is necessary to prevent serious harm to you or to other potential victims, or, if you are incapacitated and certain other conditions are met, a law enforcement or other public official represents that immediate enforcement activity depends on the disclosure.

Health Oversight Activities.

We may disclose medical information about you to a health oversight agency for activities authorized by law, including audits, investigations, inspections, licensure or disciplinary actions. These and similar types of activities are necessary for appropriate

oversight of the health care system, government benefit programs, and entities subject to various government regulations.

Judicial and Administrative Proceedings.

We may disclose medical information about you in the course of any judicial or administrative proceeding in response to an order of the court or administrative tribunal. We also may disclose medical information about you in response to a subpoena, discovery request, or other legal process but only if efforts have been made to tell you about the request or to obtain an order protecting the information to be disclosed.

Disclosures for Law Enforcement Purposes.

We may disclose medical information about you to a law enforcement official for law enforcement purposes:

- a. As required by law.
- a. In response to a court, grand jury or administrative order, warrant or subpoena.
- b. To identify or locate a suspect, fugitive, material witness or missing person.
- c. About an actual or suspected victim of a crime and that person agrees to the disclosure. If we are unable to obtain that person's agreement, in limited circumstances, the information may still be disclosed.
- d. To alert law enforcement officials to a death if we suspect the death may have resulted from criminal conduct.
- e. About crimes that occur at our facility.
- f. To report a crime in emergency circumstances.

Coroners ,Medical Examiners and Funeral Directors.

We may disclose medical information about you to a coroner or medical examiner for purposes such as identifying a deceased person and determining cause of death. We may disclose medical information about you to funeral directors as necessary for them to carry out their duties.

Organ, Eye or Tissue Donation.

To facilitate organ, eye or tissue donation and transplantation, we may disclose medical information about you to organ procurement organizations or other entities engaged in the procurement, banking or transplantation of organs, eyes or tissue.

To Avert Serious Threat to Health or Safety.

We may use or disclose protected health information about you if we believe the use or disclosure is necessary to prevent or lessen a serious or imminent threat to the health or

safety of a person or the public. We also may release information about you if we believe the disclosure is necessary for law enforcement authorities to identify or apprehend an individual who admitted participation in a violent crime or who is an escapee from a correctional institution or from lawful custody.

Military.

If you are a member of the Armed Forces, we may use and disclose medical information about you for activities deemed necessary by the appropriate military command authorities to assure the proper execution of the military mission. We may also release information about foreign military personnel to the appropriate foreign military authority for the same purposes.

National Security and Intelligence.

We may disclose medical information about you to authorized federal officials for the conduct of intelligence, counter-intelligence, and other national security activities authorized by law.

Protective Services for the President.

We may disclose medical information about you to authorized federal officials so they can provide protection to the President of the United States, certain other federal officials, or foreign heads of state.

Inmates; Persons in Custody.

We may disclose medical information about you to a correctional institution or law enforcement official having custody of you. The disclosure will be made if the disclosure is necessary: (a) to provide health care to you; (b) for the health and safety of others; or, (c) the safety, security and good order of the correctional institution.

Workers Compensation.

We may disclose medical information about you to the extent necessary to comply with workers' compensation and similar laws that provide benefits for work-related injuries or illness without regard to fault.

Other Uses and Disclosures.

Other uses and disclosures will be made only with your written authorization. You may revoke such an authorization at any time by notifying Chief Privacy Officer 7810 Ballantyne Commons Pkwy suite #106 Charlotte, N.C. 28277 in writing of your desire to revoke it. However, if you revoke such an authorization, it will not have any affect on

actions taken by us in reliance on it.

Your Rights With Respect to Medical Information About You.

You have the following rights with respect to medical information that we maintain about You.

§ Right to Request Restrictions.

You have the right to request that we restrict the uses or disclosures of medical information about you to carry out treatment, payment, or health care operations. You also have the right to request that we restrict the uses or disclosures we make to: (a) a family member, other relative, a close personal friend or any other person identified by you; or, (b) for to public or private entities for disaster relief efforts. For example, you could ask that we not disclose medical information about you to your brother or sister.

To request a restriction, you may do so at the time you complete your consent form or at any time after that time. If you request a restriction after that time, you should do so in writing to Chief Privacy Officer 7810 Ballantyne Commons Pkwy suite # 106 Charlotte, N.C. 28277 and tell us: (a) what information you want to limit; (b) whether you want to limit use or disclosure or both; and, (c) to whom you want the limits to apply (for example, disclosures to your spouse).

We are not required to agree to any requested restriction. However, if we do agree, we will follow that restriction unless the information is needed to provide emergency treatment. Even if we agree to a restriction, either you or we can later terminate the restriction.

Right to Receive Confidential Communications.

You have the right to request that we communicate medical information about you to you in a certain way or at a certain location. For example, you can ask that we only contact you by mail or at work. We will not require you to tell us why you are asking for the confidential communication.

If you want to request confidential communication, you must do so in writing to Chief Privacy Officer 7810 Ballantyne Commons Pkwy suite#106 Charlotte, N.C. 28277. Your request must state how or where you can be contacted.

We will accommodate your request. However, we may, when appropriate, require information from you concerning how payment will be handled.

Right to Inspect and Copy.

With a few very limited exceptions, such as psychotherapy notes, you have the right to inspect and obtain a copy of medical information about you.

To inspect or copy medical information about you, you must submit your request in writing to Chief Privacy Officer 7810 Ballantyne Commons Pkwy suite# 106 Charlotte, NC 28277. Your request should state specifically what medical information you want to inspect or copy. If you request a copy of the information, we may charge a fee for the costs of copying and, if you ask that it be mailed to you, the cost of mailing.

We will act on your request within thirty (30) calendar days after we receive your request. If we grant your request, in whole or in part, we will inform you of our acceptance of your request and provide access and copying.

We may deny your request to inspect and copy medical information if the medical information involved is:

- a. Psychotherapy notes;
- b. Information compiled in anticipation of, or use in, a civil, criminal or administrative action or proceeding;

If we deny your request, we will inform you of the basis for the denial, how you may have our denial reviewed, and how you may complain. If you request a review of our denial, it will be conducted by a licensed health care professional designed by us who was not directly involved in the denial. We will comply with the outcome of that review.

2. Right to Amend.

You have the right to ask us to amend medical information about you. You have this right for so long as the medical information is maintained by us.

To request an amendment, you must submit your request in writing to Chief Privacy Officer 7810 Ballantyne Commons Pkwy suite#106 Charlotte, NC 28277. Your request must state the amendment desired and provide a reason in support of that amendment.

We will act on your request within sixty (60) calendar days after we receive your request. If we grant your request, in whole or in part, we will inform you of our acceptance of your request and provide access and copying.

If we grant the request, in whole or in part, we will seek your identification of and agreement to share the amendment with relevant other persons. We also will make the appropriate amendment to the medical information by appending or otherwise providing a link to the amendment.

We may deny your request to amend medical information about you. We may deny your

request if it is not in writing and does not provide a reason in support of the amendment. In addition, we may deny your request to amend medical information if we determine that the information:

- a. Was not created by us, unless the person or entity that created the information is no longer available to act on the requested amendment;
- b. Is not part of the medical information maintained by us;
- c. Would not be available for you to inspect or copy; or,
- d. Is accurate and complete.

If we deny your request, we will inform you of the basis for the denial. You will have the right to submit a statement of disagreeing with our denial. Your statement may not exceed 2 pages. We may prepare a rebuttal to that statement. Your request for amendment, our denial of the request, your statement of disagreement, if any, and our rebuttal, if any, will then be appended to the medical information involved or otherwise linked to it. All of that will then be included with any subsequent disclosure of the information, or, at our election, we may include a summary of any of that information.

If you do not submit a statement of disagreement, you may ask that we include your request for amendment and our denial with any future disclosures of the information. We will include your request for amendment and our denial (or a summary of that information) with any subsequent disclosure of the medical information involved.

You also will have the right to complain about our denial of your request.

Right to an Accounting of Disclosures.

You have the right to receive an accounting of disclosures of medical information about you. The accounting may be for up to six (6) years prior to the date on which you request the accounting but not before April 14, 2003.

Certain types of disclosures are not included in such an accounting:

- a. Disclosures to carry out treatment, payment and health care operations;
- b. Disclosures of your medical information made to you;
- c. Disclosures for our facility directory;
- d. Disclosures for national security or intelligence purposes;
- e. Disclosures to correctional institutions or law enforcement officials;
- f. Disclosures made prior to April 14, 2003.

Under certain circumstances your right to an accounting of disclosures may be suspended for disclosures to a health oversight agency or law enforcement official.

To request an accounting of disclosures, you must submit your request in writing to

Chief Privacy Officer 7810 Ballantyne Commons Pkwy suite# 106 Charlotte, NC 28277 .

Your request must state a time period for the disclosures. It may not be longer than six (6) years from the date we receive your request and may not include dates before April 14, 2003.

Usually, we will act on your request within sixty (60) calendar days after we receive your request. Within that time, we will either provide the accounting of disclosures to you or give you a written statement of when we will provide the accounting and why the delay is necessary.

There is no charge for the first accounting we provide to you in any twelve (12) month period. For additional accountings, we may charge you for the cost of providing the list. If there will be a charge, we will notify you of the cost involved and give you an opportunity to withdraw or modify your request to avoid or reduce the fee.

Right to Copy of this Notice.

You have the right to obtain a paper copy of our Notice of Privacy Practices. You may obtain a paper copy even though you agreed to receive the notice electronically. You may request a copy of our Notice of Privacy Practices at any time.

You may obtain a copy of our Notice of Privacy Practices over the Internet at our web site, www.qhcs.com

To obtain a paper copy of this notice, contact to Chief Privacy Officer 7810 Ballantyne Commons Pkwy suite#106 Charlotte, NC 28277 704-319-2277

Our Duties

Generally.

We are required by law to maintain the privacy of medical information about you and to provide individuals with notice of our legal duties and privacy practices with respect to medical information.

We are required to abide by the terms of our Notice of Privacy Practices in effect at the time.

Our Right to Change Notice of Privacy Practices.

We reserve the right to change this Notice of Privacy Practices. We reserve the right to make the new notice's provisions effective for all medical information that we maintain, including that created or received by us prior to the effective date of the new notice.

Availability of Notice of Privacy Practices.

A copy of our current Notice of Privacy Practices will be posted in the office reception area. A copy of the current notice also will be posted on our web site, www.qhcs.com. In addition, each time you are admitted to services at Quality Health Care Services, a copy of the current notice will be made available to you.

At any time, you may obtain a copy of the current Notice of Privacy Practices by contacting Chief Privacy Officer 7810 Ballantyne Commons Pkwy suite#106 Charlotte, N.C. 28277 704-319-2277

Effective Date of Notice.

The effective date of the notice will be stated on the first page of the notice.

Complaints.

You may complain to us and to the United States Secretary of Health and Human Services if you believe your privacy rights have been violated by us.

To file a complaint with us, contact Chief Privacy Officer 7810 Ballantyne Commons Pkwy suite#106 Charlotte, NC 28277 704-319-2277. All complaints should be submitted in writing.

To file a complaint with the United States Secretary of Health and Human Services, send your complaint to him or her in care of: Office for Civil Rights, U.S. Department of Health and Human Services, 200 Independence Avenue SW, Washington, D.C. 20201.

You will not be retaliated against for filing a complaint.

Questions and Information.

If you have any questions or want more information concerning this Notice of Privacy Practices, please contact Tim Wilson "Privacy Officer" 7810 Ballantyne Commons Pkwy suite#106 Charlotte, NC 28277 704-319-2277.